

WASHINGTON, DC - Today Congresswoman Gwen Moore released her prepared remarks regarding the Emergency Economic Stabilization Act of 2008.

Remarks of Congresswoman Gwen Moore

Regarding H.R. 1424 - The Emergency Economic Stabilization Act

(As Prepared for the House Floor)

October 3, 2008

Madam Speaker, I am angry.

I am angry that we have been put in this position by clever financial wizards on Wall Street who operated without the necessary regulations and oversight for the past eight years.

I am angry that we are being asked to clean up a mess that could have been prevented if it weren't for corporate greed and lax government oversight.

I share the sentiments of Meyer Mishkin, who during the crash of 1929 owned a shop in New York that sold silk shirts to workingmen. He said then that it "served those rich scoundrels right."

But a year later, as the Wall Street crash spread to the rest of America, Mr. Mishkin's own store went out of business and he never held a steady job again.

Fast forward to 2008. Meyer Mishkin's grandson, an economist and former Fed Reserve Board member, tells us "To do nothing right now is to do what was done during the Great Depression."

Madam Speaker, this is not about Rolex watches and Wall Street. It's about the workers, families and retirees in my district who will be the hardest hit by this resulting credit crisis as it spreads to Main Street.

If we don't act and the credit markets seize up, we risk a situation in which people can't get mortgages, stores are unable to finance their inventory, local governments are unable to continue to finance services, and employers are unable to make payroll and start laying off workers and dropping shifts. We are already beginning to see the effects in my district and across the country.

We could say "let's sit back and do nothing".

But that is taking a huge risk with my constituents' economic futures. Look at it this way: If your foolish neighbor accidentally sets his apartment on fire, you could just let it burn and say that it serves him right. But the truth is, you live in the same apartment building: unless you call the fire department and use taxpayer funds to have it put out, in a short time your apartment is going to be destroyed by that same fire.

This bill is not perfect, but improvements have been made and protections and accountability have been added to it over the past two weeks. Now CEO's will be prohibited from collecting "golden parachute" payments or huge bonuses based on their company's stock price if their institutions want to participate. Also, since the federal government will become the owner of many troubled mortgages, the bill directs the Treasury Department to try to help some of those homeowners stay in their homes by easing the terms of the loan in ways that might prevent foreclosure and eviction. And if this works as it should, taxpayer outlays should be recouped --and perhaps even a profit turned-- as the federal government sells the mortgages back into the market over time.

Madam Speaker, I had family who lived through the Great Depression, and I know that when

the wider economy tailspins into a depression, it is poor and working families who are hit the hardest. I am not willing to stand by and do nothing while this crash spreads to my constituents.

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